Yarra Valley Water: Procurement planning, sourcing and contract management on one platform

Yarra Valley Water (YVW) services 1.9 million people and more than 50,000 businesses across a 4,000-kilometre area of outer Melbourne, from Wallan in the north to Warburton in the east. Located in Mitcham, Victoria, YVW has approximately 700 employees.

YVW buys bulk water from Melbourne Water for distribution to customers. They remove and treat sewage, most of which is transferred to Melbourne Water's treatment plants. The rest is treated at their ten regional plants, where they also recycle water for use in homes, sports fields and public spaces.

Since 2019, YVW has been a member of Social Traders and has developed a social procurement strategy, which includes aims, targets, staff capability development, and how to identify opportunities and work with certified social enterprises.

The challenge

Yarra Valley Water's half a billion dollar annual procurement spend was not being managed consistently. Two different systems were in place for its two largest business groups to plan procurement and manage sourcing activity, while the other four groups followed manual processes.

An in-house application was used to manually record the signed paper contracts provided by the various groups. This caused the following issues:

Incomplete – Many executed contracts were only kept in paper versions, and a significant number were not registered in the centralised system. Filing of the digital versions of the contracts could not be enforced.
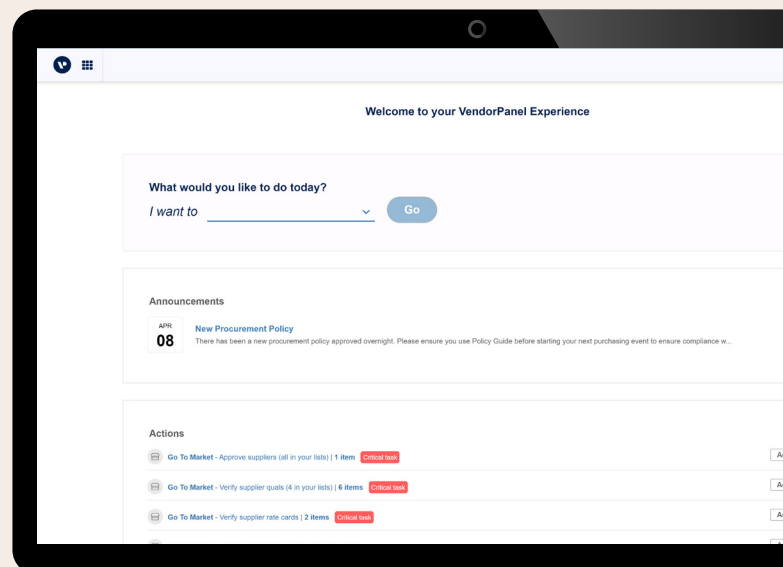
Inaccurate – The process contained inaccuracies as it relied on each procurement and contract manager to manually enter relevant information.

Little operational value – Although expiry dates could be captured and contracts due to expire could be flagged, there was no description of the services or works provided, no ability to search the content of the contracts, nor any means to manage the performance and various contract stages.

Manual controls - By relying on manual controls, the correct procedures could easily be bypassed or ignored and there were no systemic controls in place for contract deviations.

The solution was to deploy an integrated procurement planning, sourcing and contracts platform to over 350 users.

Digitised procurement process according to procedures

The solution from VendorPanel was configured to Yarra Valley Water's processes with input from representatives of every business group. This allowed the organisation's procurement planning, go-to-market and contracting activities to be automated in a systematic and transparent manner.

Compliant with internal and external policies

The system allows the required checks and approvals to be incorporated into the workflow, which creates a secure, auditable solution. All compliance requirements are catered for.

Digitised procurement planning, sourcing and contracting

With the platform, users can plan their procurement before going to market. They can:

- Initiate and plan sourcing
- Advertise sourcing requirements
- Manage tenders in the electronic tender module
- Evaluate the submissions
- Raise and execute contracts electronically through a DocuSign integration
- Manage contracts and suppliers
- Issue purchase orders

Integration with YVW's financial solution

The system channels all procurement activities through an end-to-end paperless solution that is fully integrated with Yarra Valley Water's financial system.

Intuitive platform

The system is intuitive and easy to use which meant that users were quick to adopt and use it successfully.

Future-proof solution

Thanks to its low-code configurability, the platform can easily adapt to changing requirements as the company grows, which also makes it future-proof against changes in public procurement regulations and directions.

"The solution team has demonstrated their superior capability and responsiveness. They have successfully delivered a sophisticated and comprehensive sourcing-to-pay solution. YVW is now equipped with a world-class solution that enables a world-class strategic procurement function."

- Dominique Gibert,
Manager Procurement
and Accounts Payable

VendorPanel is a cloud procurement platform that helps organisations manage strategic and operational spend in one place, including:

➔ Policy guidance

➔ Procurement planning

➔ Supplier management & discovery

➔ Sourcing, evaluation & award

➔ Contract management

To learn more about our solution, contact us today.